

STATE MINING AND GEOLOGY BOARD EXECUTIVE OFFICER'S REPORT

For Meeting Date: December 8, 2011

<u>Agenda Item No. 9</u>: Acceptance of California Geological Survey Special Report 215, Update of Mineral Land Classification: Concrete Aggregate in the San Luis Obispo-Santa Barbara Production-Consumption Region, California.

INTRODUCTION: The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. California Geological Survey (CGS) Special Report 215 updates information previously presented in a classification report on Portland cement concretegrade (PCC) aggregate in the San Luis Obispo-Santa Barbara Production-Consumption (P-C) Region first published in 1989. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 162– Mineral Land Classification: Portland Cement Concrete Aggregate and Active Mines of All Other Mineral Commodities in the San Luis Obispo-Santa Barbara Production-Consumption Region. Should certain criteria be met, the State Geologist may recommend acceptance of the report by the SMGB. The SMGB is considering accepting the updated report for the classification of mineral resource land for this area.

STATUTORY AUTHORITY: Pursuant to PRC 2761(b), "In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely on geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:

- (1) Areas containing little or no mineral deposits.
- (2) Areas containing significant mineral deposits.
- (3) Areas containing mineral deposits, the significance of which requires further evaluation."

In accordance with the SMGB's "Guidelines for Classification and Designation of Mineral Lands", the State Geologist may periodically review mineral land classification information in defined study regions to determine if reclassification of the area is necessary, and whether the projected requirements for construction materials for the next 50 years should be revised. The State Geologist subsequently reports the results of such review to the SMGB together with recommendations.



The SMGB may direct the State Geologist to reexamine mineral lands already classified on the basis of the State Geologist's recommendations, or for other reasons. Any resulting reclassification is treated in the same manner as the original classification, and employs the same marketability and threshold criteria. If these criteria are met, the State Geologist will recommend acceptance of the reclassification report by the SMGB. The 50-year period for purposes of estimating marketability will begin at the time of reclassification.

BACKGROUND: The SMGB, in the fall of 2006, and more recently at its June 14, 2007, regular business meeting, heard a report from SMGB staff on the Mineral Land Classification and Designation Program under the Surface Mining and Reclamation Act of 1975 (SMARA). At its September 13, 2007, regular business meeting, and as noted in the SMGB's Information Report 2008-05, CGS provided a schedule and prioritized program of current and planned activities for mineral land classification and associated projects. The update of the report for the San Luis Obispo-Santa Barbara P-C Region was considered moderate priority.

California Geological Survey (CGS) Special Report 215 updates information previously presented in a classification report on Portland cement concrete-grade (PCC) aggregate in the San Luis Obispo-Santa Barbara Production-Consumption (P-C) Region first published in 1989. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 162– *Mineral Land Classification: Portland Cement Concrete Aggregate and Active Mines of All Other Mineral Commodities in the San Luis Obispo-Santa Barbara Production-Consumption Region.*

The updated report presented the following conclusions:

- Seventy-five (75) million tons of currently permitted construction aggregate reserves are projected to last through the year 2006, 16 years from the present (2010).
- An additional 2,991 acres of land containing concrete aggregate resources are identified in areas in and near the San Luis Obispo-Santa Barbara P-C Region.
- Anticipated consumption of construction aggregate in the San Luis Obispo-Santa Barbara P-C Region for the next 50 years (through the year 2060) is estimated to be 263 million tons, of which 137 million tons must be concretegrade. This is 57 million tons more than the prior 50-year projection made in 1989.
- An estimated 10,700 million tons of concrete aggregate resources are identified in the San Luis Obispo-Santa Barbara P-C Region.



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Based on this preliminary review, the State Geologist has recommended acceptance by the SMGB of this updated mineral land classification report.

EXECUTIVE OFFICER'S RECOMMENDATION: Based on the information presented by the State Geologist, the Executive Officer concludes that the updated classification report for the *San Luis Obispo-Santa Barbara Production-Consumption Region, California,* was prepared in accordance with the SMGB's guidelines, and recommends that the SMGB accept the report.

SUGGESTED MOTION LANGUAGE:

SMI

To Accept CGS Special Report 215 on Update of Mineral Land Re-Classification:

Mr. Chairman, in light of the information before the Board today, I move that the Board accept CGS Special Report 215 on the Update of Mineral Land Classification for Concrete-Grade Aggregate in the San Luis Obispo-Santa Barbara Production-Consumption Region, California.

Respectfully submitted:

Stephen M. Testa

Executive Officer

